

**IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

IN RE DATA COOLING TECHNOLOGIES LLC
Et al Debtors

CASE NOS. 17-51270 AND 51277
(JOINTLY ADMINISTERED)
CHAPTER 11
JUDGE ALAN M. KOSCHIK

**LIMITED OBJECTION OF HDT EXPEDITIONARY SERVICES, INC. AND MIELKE
MECHANICAL, INC. TO INTERIM AND FINAL CASH COLLATERAL ORDER**

HDT Expeditionary Services, Inc., and Mielke Mechanical, Inc. unsecured creditors

(“Objectors”) oppose certain terms of The Interim Order Authorizing the Use of Cash Collateral and Providing Adequate Protection [Doc. 31] (“Order”) and a continuation of those terms in any final order.

Certain elements of the adequate protection given to KeyBank NA (“Bank”) under the Order are excessive. Under the Order the Bank provides no new lending to the Debtor and in fact the entire operation it has agreed to fund is only collecting receivables to be paid to it. The budget attached to the Order shows that the Bank is projected to be paid in full around October 6, 2017, barely two weeks away. In addition the budget shows that the bank claims a security interest in inventory having a projected value of \$1,115,000. The Bank therefore has a substantial equity cushion and is not entitled to a replacement lien. *E.g. Pistole v. Mellor (In re Mellor)* 734 F.2d 1396, 1400 (9th Cir. 1994).

However in addition to a replacement lien under the Order the Bank is given the following: the proceeds of avoidance actions under Chapter 5 and a superpriority administrative expense claim. There is also a limitation on the amount and use of the proceeds to investigate the Bank’s lien. These provisions should all be removed as the Bank has no need of them to ensure adequate protection of its interest in the property of the Debtor.

Objectors believe that assets belonging to a related entity were sold in June 2017 resulting in a pay down of almost \$10 million to the Bank. While that transaction may be ultimately sound, it needs to be thoroughly investigated, and that may include how the Bank was paid and whether the price was fair or not. Allowing the Bank to dictate the terms and use of the estate assets when its interest in them will be terminated in two weeks time is unfair to all other creditors and should be rejected by this Court.

Respectfully Submitted,
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CERTIFICATE OF SERVICE

I hereby certify that a copy of this Objection was served on the date filed upon the following via the Court's ECF/CM system or by U.S. mail, postage prepaid as indicated below.

Electronic Mail Notice List

The following is a list of the parties who are on the list to receive e-mail notice/service for this case:

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